

EXECUTIVE SUMMARY

Community Mental Health Services Block Grant Application for FFY 2004 Funds

This document contains Kentucky's plans for State Fiscal Year 2004 to strengthen mental health services for adults with severe mental illnesses and children with severe emotional disturbances. It is submitted in compliance with P. L. 102-321, the Community Mental Health Services (CMHS) Block Grant, and applies for funds that will become available in Federal Fiscal Year 2004.

CMHS Block Grant funds will only be used to carry out the activities identified in the state's approved plan; to evaluate programs under the plan; and to plan, administer and educate regarding services under the plan. Most of the CMHS Block Grant funds are allocated to Kentucky's Regional MH/MR Boards. Federal limitations on administrative costs are met. CMHS requires that a certain percentage of the state's CMHS Block Grant allocation be set aside for children's services, and Kentucky exceeds that minimum.

The plans required by the block grant must address all activities that build systems of care for adults with severe mental illnesses and children with severe emotional disturbances, not just those supported by CMHS Block Grant funds (which represent about 3.6 percent of community mental health revenues). Therefore, in some important ways, our application for the funds drives the development of stronger services using all funding sources, including Medicaid, local funds, and appropriations from the Kentucky General Assembly.

The planning process required by the federal agency also gives us an opportunity to present it for formal review by a panel of stakeholders, the Kentucky Mental Health Services Planning Council. Parents, family members, and consumers are well represented on the Council, and we believe that the state's plan is stronger because of their involvement, ideas, and comments.

As a result of major statewide planning initiatives prompted by the Kentucky General Assembly including the *Commission on Services and Supports for Individuals with Mental Illness, Alcohol and Other Drug Abuse Disorders and Dual Diagnoses* (HB 843 Commission), a major change has been instituted in the way CMHS block grants are allocated to Kentucky's Regional MH/MR Boards. Regional Boards will be allocated flexible funding on a per capita basis for planning and development of systems of care that are responsive to regional and local conditions. In return for this flexibility, regional boards will be required to:

- Establish a parallel planning council at the regional level;
- Submit a comprehensive regional plan to develop systems of care for the priority populations;
- Submit a detailed spending plan;
- Prepare plans for development and set performance targets; and

- Submit data related to performance indicators and clinical outcomes established by the Department and the Planning Council, and the Uniform Data Tables as established by CMHS.

Further detail about the new block grant allocation methodology is provided in the “Context” section of the plan document. The following major program initiatives for the target populations are planned for SFY 2004.

For adults with severe mental illnesses:

- Incorporate recommendations of the HB 843 Commission and the Olmstead Compliance Plan into planning and budgeting processes;
- Implement the next phase of the new adult outcome initiative that will measure consumer satisfaction as well as clinical outcomes;
- Complete the network of crisis stabilization services for adults;
- Transition long-term residents of state psychiatric hospitals to the community using available wraparound funding;
- Explore alternative, cost effective methods for administering the Community Medications Support Program; and
- Promote evidence-based practices as a standard for service delivery.

For children with severe emotional disturbances:

- Develop measurable outcomes and tracking tools for Family Involvement statewide and pilot them in several regions before implementing statewide;
- Complete the network of crisis stabilization services for children;
- Complete redesign of the IMPACT Evaluation System and field test the redesigned system at several pilot sites prior to statewide implementation;
- In collaboration with the Kentucky Department for Public Health, conduct full-scale implementation and ongoing evaluation of the Governor’s Early Childhood Initiative; and
- Assist Region Boards with developing evidence-based treatment protocols for specific mental health disorders in children and youth.

A Note on Fiscal Years

This document describes activities and plans that span several years. In addition, state and federal fiscal years, which are different, may be applicable to certain plans and reports. This note explains their usage.

The State Fiscal Year (SFY) begins July 1 of the preceding year and ends on June 30 of the year (e.g., SFY 2004 is the period July 1, 2003, to June 30, 2004). The Federal Fiscal Year (FFY) begins October 1 of the preceding year and ends on September 30 of the year (e.g., FFY 2004 is the period October 1, 2003 to September 30, 2004).

To contract federal funds received through the CMHS block grant in an appropriate and planned way, funds received by KDMHMRS for the federal fiscal year are

typically expended during the following state fiscal year. This document supports an application for FFY 2004 funds, which will be spent during SFY 2005. However, to plan for and report on federal fund expenditures in real time, this document reports on the state fiscal year just ending (SFY 2003) and makes plans for the state fiscal year that is beginning (SFY 2004).

In this document:

Achievements will be reported for the year ending, which is	SFY 2003
Plans for the coming year will be described for	SFY 2004
Federal funds will be requested for	FFY 2004
FFY 2004 federal funds will be expended in part during	SFY 2005

